



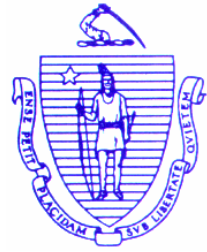
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Direct Mailing to Year-2007 MA Commercial Fish Permit Holders
Mailed on 6/10/2008

June 9, 2008

Dear State Permit Holder,

This mailing is being sent out to explain the federally funded program, "Massachusetts Groundfish Relief for Impacts of Framework 42" to all fishermen who held a 2007 Massachusetts commercial fishing permit. The Division of Marine Fisheries (*MarineFisheries*) will audit state and federal permit and catch data to qualify fishermen, and a second mailing with an application packet will be sent to those qualified applicants by June 22, 2008. Application packets will also be posted on the *MarineFisheries* website at:

http://www.mass.gov/dfwele/dmf/spotlight/groundfish_assistance.htm#spot.

The 2008 Congressional Appropriations Conference Report appropriated \$13,395,000 to *MarineFisheries* to alleviate economic impacts associated with Framework 42 regulations on the Massachusetts groundfish fishery. *MarineFisheries* has conducted several meetings with a state Drafting Group and an Industry Subcommittee in addition to holding three public meetings to develop a program that will address a broad segment of fishery participants. However, in developing the program our focus has been on mitigating the impacts of Framework 42, as instructed by the legislation.

NOAA Fisheries has recently approved our application for distribution of these federal assistance funds, and you are encouraged to review the details of the full proposal which is posted on the *MarineFisheries* website at: http://www.mass.gov/dfwele/dmf/spotlight/groundfish_assistance.htm#spot. Direct subsidies (payment) totaling \$11,325,000 have been allocated to four sectors of the Commonwealth's groundfish fishing industry. Funds have been allocated to each sector based on the percent of total groundfish landed in the Commonwealth by each sector:

1. federally permitted commercial vessels with 'A' Days At Sea (DAS) - \$10,645,000,
2. federally permitted limited access commercial groundfish vessels without 'A' DAS,
3. non-federally, state permitted commercial groundfish vessels - \$339,750, and
4. federally permitted for-hire (charter and head-boat vessels) - \$339,750.

An applicant will only be eligible to receive financial assistance if they are permitted in one of the four sectors listed above. A fifth sector, crew members employed aboard eligible commercial fishing vessels, will be provided for under a separate program allocated \$1,383,816 in relief funds. *MarineFisheries* will not be able to qualify crew members for this program until all eligible fishing vessels have been identified. As a result, it will not be possible to begin the 'crew member' sector until all information collected for sectors 1-4 have been audited. The two programs that will be funded under the 'Economic Relief for Crew Members' portion of this grant include the following:

1. health insurance coverage for fishermen and their family members (\$633,816), and
2. direct assistance for crew (\$750,000).

A direct mailing with program details will be sent to eligible crew members as soon as the necessary information is collected.

Details for the economic relief that will be dispersed to sectors 1 through 4

1. Federal Groundfish Applicant ("A" DAS) Program (\$10,645,500)

Eligibility Criteria (all three must be met):

- a. applicant must be the owner of a vessel with a federal limited access multispecies groundfish permit that had allocated "A" DAS on May 1, 2007;
- b. must be the permit holder (owner) of record on March 15, 2008 to qualify to receive funds;
- c. must have held a 2007 Massachusetts Commercial (landing) Permit naming that vessel (on the federal permit) with a homeport in Massachusetts. If no homeport is listed on the Massachusetts Boat permit, homeport will be identified based on the federal permit as of March 15, 2008.

Allocation Criteria: Number of allocated "A" DAS (not including carry-over DAS) on May 1, 2007.

Allocation Formula: Determine an applicant's portion of allocated "A" DAS among all eligible permit holders and apply that percentage to the total amount of available funds for this sector.

Exceptions: In those cases where applicants own multiple vessels and permits, and lease the "A" DAS from one vessel to another, but do not hold a state commercial permit on all vessel(s), the applicants must verify their ownership of all vessel(s) and permit(s) in question thereby demonstrating that the leasing of DAS was transacted internally (to themselves).

Marine Fisheries may develop limitations on the total amount of Direct Subsidies received by a single owner to ensure that the allocation of limited monies available for direct subsidies results in assistance to a representative range of those fishermen who are experiencing the most severe economic hardship and to accommodate applicants who own multiple vessels and federal permits.

2. Federal Limited Access (non-DAS) Program

Eligibility Criteria:

- a. applicant must be the owner of a vessel with a federal limited access Handgear A (Category HA) multispecies groundfish permit on May 1, 2007;
- b. must be the permit holder (owner) of record on March 15, 2008 to qualify to receive funds;
- c. must have held a 2007 Massachusetts Commercial (landing) Permit naming that vessel (on the federal permit) with a homeport in Massachusetts. If no homeport is listed on the Massachusetts Commercial Permit, homeport will be identified based on the federal permit as of March 15, 2008;
- d. must have landed and sold at least 10,000-lbs. of multispecies groundfish* in any one calendar year during January 1, 2004 to December 31, 2007.

Allocation Criteria: Eligible applicants can receive a flat-rate subsidy equal to 37.5% of the flat-rate subsidy paid to qualifying non-federal commercial groundfish fishermen. This percentage (37.5%) is based on the daily cod trip-limit differential between these two sectors (300 pounds vs. 800 pounds).

3. Non-federal Groundfish Program (\$339,750)

Eligibility Criteria:

- a. applicant must have held a State Waters Groundfish Endorsement (GE) during calendar year 2007; and
- b. must have landed and sold at least 10,000-lbs. of multispecies groundfish in any one calendar year during January 1, 2004 to December 31, 2007.

Allocation Formula:

- a. Flat rate =
$$\frac{\$339,750}{\text{all eligible applicants}}$$
- b. Flat rate will not be allowed to exceed median funds paid to federal groundfish applicants with "A" DAS.

**Multispecies Groundfish:* Atlantic cod, windowpane flounder, witch flounder, American plaice, yellowtail flounder, haddock, pollock, winter flounder, white hake, and redfish

4. For-hire Groundfish Permit Holder Program (\$339,750)

Eligibility Criteria:

- a. applicant must hold a federal permit authorizing for-hire activity and a Massachusetts for-hire endorsement for the same vessel with a Massachusetts homeport during the period May 1, 2007 to March 15, 2008; and
- b. must have made at least one authorized party/charter trip in the Gulf of Maine (NMFS Statistical Areas 512-515, 521) between November 1, 2005 and March 31, 2006 that kept at least one cod as documented on federal Vessel Trip Reports (VTRs).

Allocation Criteria: Number of party/charter trips in the Gulf of Maine (NMFS Statistical Areas 512-515, 521) between November 1, 2005 and March 31, 2006 that kept at least one cod as documented on federal VTRs.

Allocation Formula: Determine applicant's portion of total trips among all eligible permit holders and apply that percentage to the total available funds for that sector (\$339,750).

Appeals Set-aside & Process:

- a. Appeals will be accepted during a finite time period based primarily on the validity of records obtained from NMFS or MA DMF.
- b. Final subsidies will not be announced until conclusion of appeals process.

Enforcement Disqualifications:

Marine Fisheries' administration of the limited federal funds will also be consistent with the related conservation and compliance goals of the federal and state regulatory framework governing Framework 42. To achieve that end, applicants eligible for this federal financial assistance are required to be in compliance with applicable federal and state fisheries regulations, as determined by *Marine Fisheries*. More specifically, any applicant with the following non-compliance status will be ineligible to receive assistance.

- a. Any applicant whose DMF-issued state landing permit or federal multispecies groundfish permit has been suspended by DMF or NMFS respectively for the duration of the application period.
- b. Any applicant who is in default of paying a fine imposed by NMFS violation of federal fisheries regulations, or a fine imposed by a state court for violation of state fisheries regulations. The applicant will become eligible for assistance if the fine is paid in full during the application period.

Division of Marine Fisheries,
Department of Fish and Game